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> Lafayette, Louisiana September 7, 2001

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TBOARD CERTIFIED ESTATE PLANNING AND ADMINISTRATION SPECIALIST *BOARD CERTIFIED TAX SPECIALIST

Hon. Philip N. Asprodites Office of Conservation Commissioner of Conservation P. O. Box 94275 Baton Rouge, LA 70804-4275

MARK D. LATHAN

Re:

Hackberry A Sand, Reservoir F LAKE LAROSE FIELD St. Martin Parish, Louisiana

Dear Commissioner Asprodites:

Application is hereby made on behalf of KCS RESOURCES, INC. for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters:

- To establish rules and regulations and to create a single drilling and production unit for the exploration for and production of gas and condensate from the Hackberry A Sand, Reservoir F, in the Lake Larose Field, St. Martin Parish, Louisiana, said unit to be designated HBY A RF SUA, as shown on the plat attached hereto and made a part hereof.
- To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit with each tract sharing in unit production on a surface acreage basis of participation.
 - 3. To designate KCS Resources, Inc. as operator of the unit created herein.
- To designate the KCS Resources, Inc. St. Martin Land Co. No. 1 Well as unit well for the unit created herein.
- To provide that any future wells drilled to the Hackberry A Sand, Reservoir F, in the Lake Larose Field, should be located in accordance with the spacing provisions of Statewide Order No. 29-E.

- 6. To provide that the Commissioner of Conservation should be authorized to reclassify the reservoir by supplemental order without the necessity of a public hearing should the producing characteristics of such reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation.
 - 7. To consider such others matters as may be pertinent.

The Hackberry A Sand, Reservoir F, in the Lake Larose Field, is hereby defined as being that gas and condensate bearing sand encountered between the depths of 13,189 feet and 13,254 feet (electrical log measurements) (true vertical depths of 12,600 feet and 12,657 feet) in the KCS Resources, Inc. – St. Martin Land Co. No. 1 Well, which has a surface location in Section 20 and a bottom hole location in Section 19, all in Township 9 South, Range 7 East, St. Martin Parish, Louisiana.

Pertinent data, including well logs, may be obtained **AT THE COST OF THE REQUESTING PARTY** from David Comeaux, Leon Comeaux & Associates, P. O. Box 53922, Lafayette, Louisiana 70505, Telephone No. 337/233-9839.

Pursuant to the Rules of Procedure, a pre-application conference was held on August 30, 2001, in Lafayette, Louisiana, at which the parties named on the attached list were in attendance. The conference was opened by representatives of the applicant who explained the bases for the applicant's proposal. Several questions were asked and answered. David Sturlese, representing several parties, presented a different unit proposal. Differences could not be resolved at the conference which was then adjourned. Through additional negotiations since the conference, the parties have agreed upon a compromise unit proposal, as shown on the plat attached hereto and made a part hereof. As a result of the compromise, the applicant expects no opposition at the hearing to be held in this matter.

Attached hereto and made a part hereof is a revised plat outlining the applicant's proposal, the conference attendance list and a list of the names and addresses of the Interested Owners, Represented Parties, and Interested Parties to whom a copy of this application is being mailed. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished only to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation; however, the list of parties will be furnished to any party requesting copies. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, enclosed is our check on behalf of the applicant, in the amount of \$700.00, <u>made</u> <u>payable to the Office of Conservation</u> representing the required hearing application fee.

Very truly yours,

Richard W. Revels, Jr.

RWRjr/dbf Attachments cc: Mr. Richard Hudson
Office of Conservation
825 Kaliste Saloom
Brandy Wine III, Suite 220
Lafayette, LA 70508

cc: Interested Owners, Represented Parties and Interested Parties

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